



**CITY OF SCOTTSDALE
TOURISM DEVELOPMENT COMMISSION
REGULAR MEETING**

Tuesday, December 17, 2019

**Kiva Forum – City Hall
3939 N. Drinkwater Boulevard
Scottsdale, Arizona 85251
APPROVED MINUTES**

PRESENT: Linda Dillenbeck, Chairperson
Camille Hill, Vice Chair
Jeanne Alspaugh
Sherry Henry
Richard Newman

ABSENT: Ken McKenzie
David Winter

STAFF: Karen Churchard
Steve Geiogamah
Ana Lia Johnson

GUESTS: Del Cochran, Grayhawk Golf Club

1. Call to Order/Roll Call

Chair Dillenbeck called the meeting of the Scottsdale Tourism Development Commission to order at 8:03 a.m., and noted the presence of a quorum.

2. Approval of Minutes

- November 19, 2019 Regular Meeting

Chair Dillenbeck called for corrections to the minutes. There were no corrections.

VICE CHAIR HILL MOVED TO APPROVE THE REGULAR MEETING MINUTES OF THE TOURISM DEVELOPMENT COMMISSION OF NOVEMBER 19, 2019 AS PRESENTED. COMMISSIONER HENRY SECONDED THE MOTION, WHICH CARRIED 5-0 WITH

CHAIR DILLENBECK, VICE CHAIR HILL, COMMISSIONERS ALSPAUGH, HENRY, AND, NEWMAN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

3. FY 2020/21 Tourism Program Budget

Karen Churchard, Tourism & Events Director, stated that they are currently in the first round of presenting the budget to the Budget Office. It is anticipated that a presentation will be given to the City Manager in February for his recommendations. No major changes have been made. Trolley expenses are no longer being taken from the bed tax fund. Recommendations include reducing ad agency costs by \$20,000. Staff is working with Public Art and Experience Scottsdale regarding the potential for a small summer solstice event in June in the Old Town Area. The thought is to utilize the \$20,000 toward this event.

Chair Dillenbeck asked whether the budget lacks any elements that would prevent accomplishing upcoming goals. Ms. Churchard said she is comfortable with the state of the budget at this point. Once more detail is known regarding the summer solstice event budget, they may return to the Commission for further discussion.

4. NCAA Men's and Women's Division 1 Golf National Championship New Event Funding Request

Steve Geiogamah stated that the request is for \$75,000 for a three-year event funding agreement out of New Event Development. Del Cochran, Captain, Grayhawk Golf Club, stated that during his 26 years with the Club, they have hosted nine to ten televised events for a number of entities, including the PGA Tour and others. They have been visible in the golf market and in the promotion of Scottsdale.

The Club had a very successful partnership with the Golf Channel a few years ago. Experience Scottsdale has been helpful during the process. The Club was home to the National Golf Channel Amateur tour event at Grayhawk. During that time, 500 golfers stayed in Scottsdale for two consecutive weeks. The success of this event encouraged the Golf Channel to approach the Club about hosting the NCAA finals. The Golf Channel encouraged the NCAA to change the format of the tournament, allowing them to create a wider audience.

The event is scheduled for May 22nd through June 2nd or 3rd. There will be 24 women's teams and 30 men's teams from around the country. All NCAA events must have a collegiate sponsor or presenter. The Club has had a relationship with ASU for many years, which will be one of the hosts for this event. The Thunderbirds are a significant sponsor and supporter of the event for all three years, at a total support level of approximately \$500,000 each year. Attendance is expected to total between 5,000 and 6,000. It is notable that the event will occur during Scottsdale's warm season, which is one of the more challenging times for tourism. Another significant benefit is the \$8 million in approximate value of television coverage for Scottsdale during the course of the event. Other exposure comes from every collegiate program in the country.

One of the intentions for the requested funding is to add additional banner material on the light poles between the Hyatt and the Club in areas where they have not developed

promotions in the past. The intent is to have City staff install the banner materials and have the use of them in perpetuity.

Commissioner Alspaugh addressed advertising on the Golf Channel and suggested having Experience Scottsdale partner on this sooner rather than later. She said that the plan for the banners is a great idea, however, leveraging influencers and social media will be a significant component, especially on Instagram.

Commissioner Newman commented that it is an all star lineup of partners, with excellent preparation in showcasing Scottsdale. He agreed that having the event occur after the peak season is good timing. Commissioner Henry agreed that bringing all the organizations together is quite an accomplishment. She agreed with Commissioner Alspaugh on the importance of social media engagement.

Commissioner Alspaugh suggested utilizing SUSD in terms of ticket distribution. She also suggested leveraging ASU player participation.

Chair Dillenbeck commended Mr. Cochran and his team for their professionalism. She expressed excitement for the event, the benefits to Scottsdale and the future of the event.

VICE CHAIR HILL MOVED TO RECOMMEND FUNDING FOR THE NCAA MEN'S AND WOMEN'S DIVISION 1 GOLF NATIONAL CHAMPIONSHIP IN THE AMOUNT OF \$75,000 FOR THREE YEARS FROM EVENT DEVELOPMENT FUNDS. COMMISSIONER NEWMAN SECONDED THE MOTION, WHICH CARRIED 5-0 WITH CHAIR DILLENBECK, VICE CHAIR HILL, COMMISSIONERS ALSPAUGH, HENRY, AND, NEWMAN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

5. Staff Reports

- a. Staff Bed Tax Collection Report**
- b. Staff Bed Tax Hotel Classification Report**
- c. Bed Tax Proforma**
- d. Program Updates**

Mr. Geiogamah stated that the dip in bed tax collections is likely due to the timing of the collection period last month. Year-to-date bed tax is up 14 percent. Miscellaneous retail tax collections were up 21 percent. Restaurants are up 18 percent. In terms of the hotel classification report, resorts are up 4.1 percent. Full service properties are down 10 percent. There continues to be a lag with one or two properties in terms of payment. Mr. Geiogamah checked with tax collections and this continues to be the reason. Also mentioned was some potential competition in the areas around Scottsdale in this classification. Limited services are up 7.8 percent. Other transient non-hotels were up 58.3 percent. It is not anticipated that a balance will be seen in this category for one to two months. There was nothing significantly new to report regarding bed tax proforma.

Chair Dillenbeck asked whether the \$75,000 for the culinary event is still coming out of the budget now, since it is not being hosted. Mr. Geiogamah confirmed that the payment will not be made.

Ms. Churchard said she is currently in discussions with new partner for Scottsdale Culinary Festival and Scottsdale Arts. There is the potential for her to bring a proposal for the new partnership at some point in the future, potentially for the coming year.

Mr. Geiogamah stated that there continues to be positive numbers in terms of the Smith Travel Report for occupancy. The average rate continues to increase in terms of different classifications. Occupancy remains slightly down for northern properties.

6. Public Comment

There were no members of the public who wished to speak.

Commissioner Alspaugh thanked staff for the ArtFest tickets. She and her husband attended on November 24th. It was very well attended by the public. She commended City staff for the wonderful event space design. She also attended a unique event on the same day. The travel industry was treated to a viewing of a documentary at the Museum of the West, regarding Castle Hot Springs. It was very well attended by travel professionals, historians and community leaders. On December 6th, she attended the Experience Scottsdale event at Embassy Suites. The keynote speaker was Justin Owen, the current Executive Director for the McDowell Conservancy.

7. Identification of Future Agenda Items

Mr. Geiogamah stated that staff will be presenting the annual report in January. In January or February, they will begin review of the Events Program annual process.

Ms. Churchard stated that a meeting on the Super Bowl is scheduled for January 7th and staff will provide an update by February at the latest.

8. Adjournment

With no further business to discuss, being duly moved by Vice Chair Hill and seconded by Commissioner Alspaugh, the meeting adjourned at 8:41 a.m.

AYES: Chair Dillenbeck, Vice Chair Hill, Commissioners Alspaugh, Henry and Newman

NAYS: None

SUBMITTED BY:

eScribers, LLC